Based on TAFCUBs recommendations, supervisory actions that have been taken include issue of license to unlicensed banks, allowing merger of UCBs, cancellation of license of unviable UCBs etc. Further, certain other facilities like setting up of currency chest, selling mutual funds, providing foreign exchange services etc. have been extended to such banks in the MoU signed States.

Removal of distinction between FDI and FIIs

4350. SHRI MAHENDRA MOHAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government are examining the possibility of redefining foreign investment in companies by removing the distinction between FDI and FII;

(b) if so, the details thereof;

(c) how the proposed policy change will have impact on different sectors like asset reconstruction companies, direct-to-home distribution of broadcast signals and real estate; and

(d) how much investment has been made in India through FDI and FII separately?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) No, Sir.

(b) to (d) Do not arise.

Performance-related pay to employees

4351. SHRI N.R. GOVINDARAJAR: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to introduce performance-related pay for the Central Government employees, as per suggestion of the panel of Pay Commission;

(b) if so, whether this will cut the basic benefits given to employees; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) The Sixth Pay Commission has not made any recommendations or suggestions in respect of performance-related pay to the Central Government till date.

Lowering of import duty on palmolein

4352. PROF. P.J. KURIEN: Will the Minister of FINANCE be pleased to state:

(a) whether Government have reduced the import duty on palmolein recently;

(b) if so, its impact on the price of the coconut and coconut oil;

(c) whether Government are aware that the coconut growers are not getting adequate and remunerative prices; and

(d) what steps Government will take to protect the coconut growers from the adverse impact of liberal import of palmolein?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir. With effect from 13th April, 2007, import duty on palmolein was reduced by ten percentage points.

(b) to (d) Domestic prices of edible oils, including coconut oil, depend on a number of factors including demand and supply, domestic production of oilseeds, tax burden on imports including customs duty etc. The rates of customs duty on edible oils are calibrated in such a way so as to ensure that landed cost (i.e. sum of C.I.F. price and customs duty) of these oils does not go below the landed cost prevailing in the beginning of April, 2006, to ensure a reasonable protection to domestic oilseed farmers.

Loans disbursed in rural areas

4353. DR. GYAN PRAKASH PILANIA: Will the Minister of FINANCE be pleased to state:

(a) the total loan disbursed by Public Sector Banks in the rural areas of the country during past two years;